Purchasing Supply Agreement CITY OF AUSTIN RECOMMENDATION FOR COUNCIL ACTION

AGENDA ITEM NO.: 39

AGENDA DATE: Thu 03/03/2005

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<u>SUBJECT</u>: Authorize execution of a 12-month supply agreement with DEERY AMERICAN CORPORATION, Grand Junction, CO, for hot applied pavement crack sealant for the Public Works Department in an amount not to exceed \$103,750, with two 12-month extension options in an amount not to exceed \$103,750 per extension option, for a total contract amount not to exceed \$311,250.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$69,167 is available in the Fiscal Year 2004-2005 Approved Operating Budget of the Public Works Department. Funding for the remaining four months of the original contract period and extension options is contingent upon available funding in future budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Purchasing

DIRECTOR'S

DEPARTMENT: for Public Works;

AUTHORIZATION: Vickie Schubert

FOR MORE INFORMATION CONTACT: R.C. Hernandez, Senior Buyer/974-6434

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Lowest bid of four bids received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This supply agreement will provide hot applied pavement crack sealant for the Department of Public Works/Street and Bridge Division for pavement maintenance of City streets. The pavement material will be shipped in a solid form packaged in blocks covered in plastic. Once the paving crew is ready to use the material, the solid blocks are placed in a tow-behind kettle that heats this material until it becomes a liquid form and is then distributed to fill pavement cracks.

The material meets the design standards used by the Department of Public Works for hot applied pavement crack sealant and is used to seal pavement cracks which eliminates water penetration thus reducing pavement failures and extending overall pavement life. The material will be delivered and stored at 4411-A Meinardus Drive, Street & Bridge Division location. Pavement crack sealant will be used as a stand-alone pavement maintenance strategy or in preparation for pavement sealcoat or overlay applications. The Street and Bridge Division requires this material to provide cost effective preventive maintenance on the streets of Austin.

MBE/WBE solicited: 0/2 MBE/WBE bid: 0/0

RCA Serial#: 7540 Date: 03/03/05 Original: Yes Published:

Disposition:

Adjusted version published:

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BID TABULATION

Hot Applied Pavement Crack Sealant (500,000 lbs) IFB No. RH05100019

Vendor	Unit <u>Price</u>	Extended <u>Price</u>
DEERY AMERICAN CORP. GRAND JUNCTION, COLORADO	\$.2075	\$103,750
Crafco Texas, Inc. San Antonio, TEXAS	\$.2149	\$ 10 7 , 4 50
Maxwell Products, Inc. Salt Lake City, Utah	\$.2243	\$112,150
P & T Product, Inc. Sandusky, Ohio	\$.2500	\$125,000

PRICE ANALYSIS

- a. Adequate competition.
- b. Seventeen notices were sent including two WBEs. There are no MBEs listed under this commodity code. Six solicitations were issued. Four bids were received with no WBE responding
- c. The previous contract average unit price in 2001 compared to the new average unit price represents an approximate increase of 1%.

APPROVAL JUSTIFICATION

- a. Low bidder meeting specification.
- b. The Department of Public concurs with the recommended award herein.
- c. Advertised in the Austin American-Statesman and Internet.

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Disposition: Adjusted version published: